

MINUTES OF THE REGULAR CITY COUNCIL MEETING  
TUESDAY- -JUNE 5, 2007- -7:30 P.M.

Mayor Johnson convened the Regular Meeting at 7:45 p.m.

ROLL CALL - Present: Councilmembers deHaan, Gilmore,  
Matarrese, Tam, and Mayor Johnson - 5.

Absent: None.

AGENDA CHANGES

None.

PROCLAMATIONS, SPECIAL ORDERS OF THE DAY AND ANNOUNCEMENTS

(07-247) Proclamation honoring volunteers for planting King Alfred Daffodils in the Park Street Business District as part of its ongoing revitalization.

Mayor Johnson read and presented the proclamation to Lars Hansson and other members of the Park Street business community.

Mr. Hansson thanked Council for the proclamation; stated Mary Amen had the idea for planting the daffodils.

CONSENT CALENDAR

(07-248) Mayor Johnson announced that the recommendation to set a Public Hearing [paragraph no. 07-255] and the recommendation to reject bids [paragraph no. 07-256] were removed from the Consent Calendar for discussion.

Councilmember Matarrese moved approval of the remainder of the Consent Calendar.

Councilmember deHaan seconded the motion, which carried by unanimous voice vote - 5. [Items so enacted or adopted are indicated by an asterisk preceding the paragraph number.]

(\*07-249) Minutes of the Special and Regular City Council Meetings held on May 15, 2007. Approved.

(\*07-250) Ratified bills in the amount of \$3,134,635.80.

(\*07-251) Recommendation to approve an agreement with Holland & Knight, LLP, in the amount of \$96,000 for federal legislative advocacy services. Accepted.

(\*07-252) Recommendation to award Contract in the amount of \$320,000, including contingencies, to McNabb Construction, Inc., for Godfrey Park Playfield Renovations, No. P.W. 03-07-06. Accepted.

(\*07-253) Recommendation to award Contract in the amount of \$250,368, including contingencies, to Golden Bay Construction, Inc., for the replacement of curb, gutter, and related improvements to address Street Ponding Citywide, No. P.W. 02-07-04. Accepted.

(\*07-254) Recommendation to allocate \$100,000 in Sewer Funds and award Contract in the amount of \$1,935,000, including contingencies, to Gallagher & Burk, Inc. for the repair and resurfacing of certain streets, Phase 27, No. P.W. 04-07-17. Accepted.

(07-255) Recommendation to set a Public Hearing for delinquent Integrated Waste Management charges for July 17, 2007.

Councilmember deHaan stated that he is not sure whether tying delinquent bills to property taxes is the best way; he has requested that the City Manager look into the cost related to the City overseeing the process.

Councilmember deHaan moved approval of the staff recommendation.

Councilmember Matarrese seconded the motion, which carried by unanimous voice vote - 5.

(07-256) Recommendation to reject bids for the Ford Crown Victoria Police Interceptors, adopt new Specifications, and authorize Call for Bids for two marked Dodge Charger Police vehicles.

Councilmember deHaan stated that he wants to ensure that the Police Department is completely comfortable with the Dodge Charger and compromises are not being made.

The Police Captain stated a lot of time was spent reviewing both the Crown Victoria and Dodge Charger platforms; the Crown Victoria package will be phased out; Dodge is re-entering the market; a number of agencies have purchased the Dodge Charger; the Police Department is satisfied that the Dodge Charger meets the requirements; the vehicle will be evaluated and tested to see whether the Police Department will continue with the Dodge platform.

Councilmember Matarrese commended the Police Department; stated the

Dodge Charger is a more fuel-efficient vehicle; he appreciates the research that has been done to ensure that risks are not taken.

The Police Captain stated the Dodge Charger has better maneuverability, is more responsive, but does not reach top speeds; top speeds are not needed in Alameda; the braking is better.

Councilmember deHaan stated that his major concern is that compromises are not made; standards and safety requirements need to be met.

Councilmember deHaan moved approval of the staff recommendation.

Councilmember Matarrese seconded the motion, which carried by unanimous voice vote - 5.

(\*07-257) Resolution No. 14094, "Amending Resolution No. 9460 to Reflect Current Positions and Entities to be Included in the City of Alameda's Conflict of Interest Code and Rescinding Resolution No. 14000." Adopted.

(\*07-258) Resolution No. 14095, "Authorizing the Execution of an Agreement Between the City of Alameda and the Board of Supervisors of Alameda County, State of California, and All Necessary Actions to Purchase Tax-Defaulted Property (APN 74-955-91) for Park Purposes Pursuant to the Provisions of Division 1, Part 6, Chapter 8 of the Revenue and Taxation Code." Adopted.

(\*07-259) Resolution No. 14096, "Requesting and Authorizing the County of Alameda to Levy a Tax on All Real and Personal Property in the City of Alameda as a Voter Approved Levy for the General Obligation Bonds Issued Pursuant to a General Election Held on November 7, 2000." Adopted.

(\*07-260) Introduction of Ordinance Containing a Description of the Community Improvement Commission's Program to Acquire Real Property by Eminent Domain in the Alameda Point, Business and Waterfront, and West End Community Improvement Project Areas. Introduced.

(\*07-261) Public Hearing to consider Resolution No. 14097, "Approving Planned Development, PD07-0001, and Parcel Map, PM06-0005, to Allow the Division of a 25,000 Square-Foot Parcel into Two Lots at 650/700 Grand Street. The property is located within an R-1 (Single-Family Residential) Zoning District." Adopted.

(\*07-262) Public Hearing to consider Resolution No. 14098, "Approving Tentative Map 9387, TM06-0003, for the Purpose of Establishing Up to Eight Commercial Condominiums within One

Building Located at 1000 Atlantic Avenue. This property is located within the M-X Mixed use Planned Development Zoning District." Adopted.

#### REGULAR AGENDA ITEMS

(07-263) Public Hearing to Establish Proposition 4 Limit (Appropriation Limit) for Fiscal Year 2007-2008; and

(07-263A) Resolution No. 14099, "Establishing Appropriations Limit for Fiscal Year 2007-2008." Adopted.

The Finance Director gave a brief presentation.

Councilmember Matarrese thanked the Finance Director for providing a clear set of tables; stated the City's revenues were a higher percentage of the allowed limit in the early 1990's.

The Finance Director stated a law changed the formula in 1991; the City was allowed to use the County population increase, not just the City population increase; the City has elected to continue to use said formula; the City is using the County population increase and per capita personal income change for 2007 and 2008; the two factors create the compounding factor for the increase; previously, the City was using the City population.

Councilmember Matarrese moved adoption of the resolution.

Vice Mayor Tam seconded the motion, which carried by unanimous voice vote - 5.

(07-264) Public Hearing to consider collection of delinquent business license fees via the property tax bills.

The Finance Director provided an updated list and a brief presentation.

Vice Mayor Tam stated that a significant amount of effort has gone into contacting business owners; total uncollected fees are approximately \$7,000; inquired whether the business associations have been able to assist in communicating with the business owners.

The Finance Director responded a great deal of support has been received from the business associations in other actions; she is sure the business associations would come forward if questions were asked; the majority of delinquent license fees are for businesses that are not active in the business associations.

Mayor Johnson inquired on what property is the lien placed.

The Finance Director responded the lien is placed on the Assessor's parcel number.

Councilmember Gilmore inquired whether the same names appear every year.

The Finance Director responded a few reappear; stated the majority are new.

Mayor Johnson opening the public portion of the hearing.

Len Grzanka, Alameda, stated the City paid Municipal Auditing Services \$13,000 in the month of May; outstanding liens are \$7,145; questioned what is the cost benefit.

The Finance Director stated Municipal Auditing Services performs two types of audits; one audit reviews documentation to ensure the correct fee is paid and the other reviews businesses that are not paying a business license fee; the fee is 50% of the amount collected; the City received \$26,000 in revenue for the \$13,000 fee; \$262,000 additional revenue was received in the current fiscal year; \$132,000 was paid in fees through May.

Councilmember deHaan stated that previous discussions addressed not renewing the Contract; inquired whether a decision has been made.

The Finance Director responded in the affirmative; stated a verbal notice has been given to the Contractor advising that the Contract will not be renewed past June of this year.

Rob Ratto, Park Street Business Association (PSBA), stated PSBA works hand and hand with the Finance Department to ensure that all members have paid business license and Business Improvement Area (BIA) fees; liens are only against business owners who own the property; PSBA takes business owners who rent to Small Claims Court if someone refuses to pay the BIA fee; PSBA has collected every time.

There being no further speakers, Mayor Johnson closed the public portion of the hearing.

Councilmember deHaan inquired whether Municipal Auditing Services has been used for four years.

The Finance Director responded the service started in January 2005; stated the process has been going smoothly; the City works closely

with Municipal Auditing Services and the business associations.

Councilmember deHaan moved approval of authorizing collection of delinquent business license fees via the property tax bills.

Councilmember Matarrese seconded the motion, which carried by unanimous voice vote - 5.

(07-265) Public Hearing to Resolution No. 14100, "Confirming the Business Improvement Area Report for Fiscal Year 2007-2008 and Levying an Annual Assessment on the Alameda Business Improvement Area of the City of Alameda for Fiscal Year 2007-2008." Adopted.

The Development Services Director provided a brief presentation.

Mayor Johnson opened the public portion of the hearing.

Proponent: Kathy Moehring, West Alameda Business Association.

There being no further speakers, Mayor Johnson closed the public portion of the hearing.

Councilmember Matarrese moved adoption of the resolution confirming the BIA Report and authorizing levying the annual assessment fee.

Vice Mayor Tam seconded the motion, which carried by unanimous voice vote - 5.

(07-266) Public Hearing on the proposed fare increase for the Alameda/Oakland Ferry Service and recommendation to authorize the City Manager to execute a one-year extension of the Blue & Gold Fleet Operating Agreement with the Alameda/Oakland Ferry Service, adopt associated budgets, and approve the proposed fare increases for the Alameda/Oakland Ferry Service;

(07-266A) Recommendation to authorize the City Manager to execute a one-year extension of the Harbor Bay Maritime Ferry Operating Agreement with the Alameda Harbor Bay Ferry, and adopt the associated budgets;

(07-266B) Recommendation to authorize the City Manager to execute a second amendment to the amended and restated Ferry Services Agreement with the Port of Oakland to extend the term for one additional year at a cost of \$79,159; and

(07-266C) Resolution No. 14101, "Authorizing the City Manager to Apply for Regional Measure 1 Bridge Toll Funds, Including Five Percent Unrestricted State Funds and Two Percent Bridge Toll

Reserve Funds for the Operating Subsidy and Capital Projects for the City of Alameda Ferry Services, and to Enter into All Agreements Necessary to Secure these Funds for Fiscal Year 2007-2008." Adopted.

The Ferry Manager gave a brief presentation.

Mayor Johnson inquired what is the City's contribution to the Alameda/Oakland Ferry Service, to which the Ferry Manager responded approximately \$600,000.

Mayor Johnson stated that the Port of Oakland is cutting its contribution from \$83,000 to \$79,000; inquired why the contribution is lower.

The Ferry Manager responded the Port of Oakland argues that there are no non-port revenues; stated money is taken from the [Port's] General Fund; payments are made for security and maintenance of the Clay Street ferry terminal as well as providing free parking for ferry riders.

Mayor Johnson inquired what is the proportion of riders who board the ferry at Jack London Square versus Alameda.

The Ferry Manager responded approximately 420,000 riders take the Alameda/Oakland Ferry; stated approximately 53% come in and out of Jack London Square; the vast majority [of Oakland riders] are excursion riders who pay the maximum walk-on rate.

Mayor Johnson stated that the City should be more resistant to the Port of Oakland's 5% cut; she would be surprised if every budget line item was cut 5%; the Port of Oakland is getting a good deal for \$83,000 and should be expected to pay a fair share.

Councilmember Matarrese inquired whether the 5% cut was because of airport revenue losses, to which the Ferry Manager responded in the affirmative.

Councilmember Matarrese inquired whether there was an overall loss; stated the airport is not the majority of funds generated by the Port of Oakland; further inquired what are the plans for increased ridership on the Alameda/Oakland Ferry.

The Ferry Manager responded ridership is already up 3% for the current year; stated advertising on AC Transit buses and participation in four free transit days for Spare the Air day would continue; the Alameda/Oakland Ferry would be participating with CalTrans in the awareness campaign for the three or four day bridge

closure for Labor Day; a direct mail campaign would be conducted for the Harbor Bay and Fernside District areas offering a two-for-one free commute on the Harbor Bay Ferry or Alameda/Oakland Ferry.

Councilmember Matarrese inquired whether anything is being done for the new development in Oakland, particularly the waterfront area.

The Ferry Manager responded in the affirmative; stated a free ride coupon and brochure were provided last year and would be repeated this year.

Vice Mayor Tam inquired why there is a deferential in fuel costs between the Harbor Bay Ferry and Alameda/Oakland Ferry; further inquired whether bio-diesel is an option.

The Ferry Manager responded the two operators get fuel in a different manner; stated the Alameda/Oakland Ferry has an underground tank; the Harbor Bay Ferry receives fuel by truck, which results in a ten to fifteen cent increase; the cost of bio-diesel was approximately 50 cents per gallon higher several years ago; now the cost of bio-diesel is within ten cents per gallon; engine manufacturers have not agreed that the warranty protection extends to operators who use bio-diesel.

Vice Mayor Tam inquired whether San Francisco received a warranty from the engine manufacture.

The Ferry Manager responded Cummins requested that the Red and White Fleet change from B20 bio-diesel to B10 bio-diesel; the Red and White Fleet is in negotiations with Cummins to do a six-month test to see the effect of the B20 bio-diesel; the quality and consistency of bio-diesel is concerning.

Councilmember Matarrese inquired whether Cummins has already agreed to use warranted B10 bio-diesel in Red and White Fleet engines.

The Ferry Manager responded Red and White Fleet is in negotiations with Cummins for a six-month trial.

Councilmember Matarrese inquired whether the engines are under warranty now, to which the Ferry Manager responded in the affirmative.

Vice Mayor Tam stated that Table 1 shows an 18% increase in fuel costs; inquired whether maintenance reductions would off set the increase.

The Ferry Manager responded in the affirmative; stated maintenance



expenses would be reduced with the new Cummins engines; the engines would be under warranty.

Councilmember deHaan stated Harbor Bay Business Park requested a reduction also.

The Ferry Manager stated the Harbor Bay Business Park contribution is not noted in the Tables because the contribution is not part of the public funding.

Councilmember deHaan inquired whether Harbor Bay Business Park would be requesting a reduction, to which the Ferry Manager responded that he did not know.

Councilmember deHaan stated that Oakland benefits from having the ferry service.

The Ferry Manager stated Oakland contributes 53% of the ridership; the riders pay the walk-on rate.

Councilmember deHaan inquired whether Oakland's share has increased over the years.

The Ferry Manager responded he does not recall whether the level has fallen below 50 - 50.

Councilmember deHaan stated the Port of Oakland seems to be defaulting on the agreement; every year another five percent reduction is requested; inquired what would happen if the reduction were not accepted.

The Ferry Manager stated that he will be meeting with the Port of Oakland Commercial Real Estate Committee tomorrow to discuss the proposal; he can pursue the issue if Council requests.

The Public Works Director stated staff has negotiated hard with the Port of Oakland; the City relies heavily on passengers paying full fare at Oakland; staff is requesting a 25 cent fare increase for riders who buy a ticket book; a 50 cent fare increase is requested for excursion riders.

Councilmember deHaan inquired what type of legal position the City would be in if the reduction was not accepted.

The Public Works Director responded the City has a year-to-year agreement; requested that Council approve the fare increase; stated staff can negotiate with the Port of Oakland to see whether the contribution could be increased.

Mayor Johnson inquired what percentage of the fare box recovery is from riders boarding at Jack London Square.

The Public Works Director responded estimates show that the City could make a 40% fare box recovery without Oakland; stated the fare box recovery is approximately 53% now.

Mayor Johnson stated Oakland's percentage of fare box recovery should be known.

The Public Works Director stated the fare box recovery might exceed 75%; conservatively, the fare box recovery is 65%.

Mayor Johnson stated the fare box recovery should be factored in if the increase is approved and staff negotiates with the Port of Oakland.

Councilmember Matarrese stated that the fare increase should be approved; staff should negotiate with the Port of Oakland; the Port of Oakland should contribute as well as help with the effort to capture commute riders from the new population south of Highway 880 in the Jack London Square area; the Harbor Bay marketing was successful; he would like to see the same increase on the Oakland side.

Mayor Johnson inquired where the money came from for the Harbor Bay marketing.

The Ferry Manager responded the Water Transit Authority (WTA) funded direct mail pieces; stated the City funded the Alameda component; the WTA paid for some signs throughout the City.

Mayor Johnson stated the marketing was successful; the City should work with the Port of Oakland to develop a similar marketing campaign.

The Ferry Manager stated the key to the campaign was a direct mail piece for a free ride offer.

Councilmember Matarrese stated that [paying for a marketing campaign] is the hook if the Port of Oakland refuses to come up with the 5%; residents in the hundreds of lofts units south of Highway 880 should be ferry riders; negotiations should include the Port of Oakland and the City of Oakland; Alameda is responsible to the voters, the Port of Oakland is not; negotiations should be broadened to include the District 3, District 5, and at-large [Oakland] Councilmembers.

Councilmember deHaan stated it would be worthwhile to see what efforts are being made to bring new residents on board, such as offering EcoPass; the Joint Council Task Force might be a starting point for dialogue with the Oakland Council; inquired what position Alameda would be in if the Port of Oakland did not want to pay.

The City Attorney responded the agreement would expire if not renewed or amended.

Councilmember deHaan stated that Alameda could be out \$79,000.

Mayor Johnson inquired whether the Alameda/Oakland Ferry would be restricted from docking at Jack London Square.

The Ferry Manager responded the Port of Oakland could restrict Alameda from coming into Oakland or could require a landing fee.

Councilmember Matarrese stated that the City cannot let the matter lapse; the ferry service takes 400,000 people off the freeway; the fare increase should be approved; staff should request that the Port of Oakland restore the cut because the airport revenue loss is a not a legitimate reason; staff should also request the Port of Oakland to produce a campaign to get ridership from the new Oakland development.

Councilmember Matarrese moved approval of the staff recommendations and adoption of the resolution with direction to have staff negotiate with the Port of Oakland and the City of Oakland to request a restoration of cuts made and to provide a marketing plan for new Oakland residents south of Highway 880.

Vice Mayor Tam inquired whether the Harbor Bay one-year extension would be included, to which Councilmember Matarrese responded in the affirmative.

Vice Mayor Tam inquired whether the \$79,159 additional year cost would be pending negotiations with Oakland, to which Councilmember Matarrese responded in the negative.

Mayor Johnson stated the amount would be accepted now; staff would continue to negotiate.

Councilmember deHaan requested that the matter be addressed when the Alameda/Oakland City Council subcommittee meets.

Councilmember deHaan seconded the motion, which carried by unanimous voice vote - 5.

(07-267) Public Hearing to consider Resolution No. 14102, "Establishing Integrated Waste (Solid waste, Recycling and Organics) Collection Ceiling Rates and Services Fees for Alameda County Industries, Inc. for Rate Period 6 (July 2007 to June 2008)." Adopted.

The Public Works Director gave a brief presentation.

Rick Simonson, Hilton Farnkope & Hobson, LLC, Director, Solid Waste and Recycling Rate Services, gave a brief presentation.

Vice Mayor Tam inquired why garbage carts are disappearing; stated the new ceiling rates and fee schedule propose a \$15.00 cart replacement fee.

The Public Works Director responded Alameda County Industries (ACI) is experiencing an unusually high request for cart exchanges; stated the franchise agreement requires that the Contractor provide a once-a-year cart exchange; the franchise agreement states that any cart damaged by ACI needs to be replaced or repaired by ACI at ACI's cost.

Councilmember deHaan inquired whether the phrase "cart replacement fee" should be clarified; stated carts are guaranteed for ten years.

The Public Works Director responded "cart replacement fee" is the term given in the franchise agreement; stated the rates could spell out cart replacement, non-ACI related.

Councilmember deHaan inquired what is happening in other municipalities.

The Public Works Director responded services offered vary from one jurisdiction to the next; stated Alameda is the only city in Alameda County to offer food waste collection for commercial and multi-families; Alameda has curbside collections for motor oil and battery drop off at Blanding Avenue; said services increase costs; the City of Livermore has very low rates because similar services are not provided and landfill is in close proximity.

Councilmember deHaan inquired whether other areas are having similar rate increases.

The Public Works Director responded seven cities are in the rate increase process; stated some rates are increased because of the Consumer Price Index (CPI), other increases are as high as 14%.

Councilmember deHaan stated redemption fees have changed; inquired whether there is a windfall for recycling.

Mr. Simonson responded a windfall is difficult to determine; stated there is a net zero cost to process materials in the franchise agreement; ACI retains all commodity revenue; the amount of profit is not known because the processing costs are unknown; many jurisdictions receive a per ton processing revenue; \$15 to \$20 per ton is typical; commodity prices have risen over the last couple of years; ACI is taking a risk that the commodity revenues could fall below what was originally proposed.

Councilmember deHaan stated redemption has increased almost 100%.

Mr. Simonson stated redemption has no impact on the franchise agreement.

Mayor Johnson opened the public portion of the hearing.

Proponents: Robb Ratto, PSBA.

Neutral: Len Grzanka, Alameda.

There being no further speakers, Mayor Johnson closed the public portion of the hearing.

Councilmember deHaan requested clarification on the opportunities for rate increases.

The Public Works Director stated a major franchise review occurs every third year; cost of living adjustments are made in rate years four and five; the next true up will be in rate year nine.

Councilmember deHaan stated the CPI does not cover operational costs.

The Public Works Director stated a risk analysis was done; ACI agreed to take the risk on the commodities market; ACI took the risk that the CPI would not keep up with expenses.

Mayor Johnson stated that Alameda has a good Contract; the City of Hayward's contract does not include food waste; Alameda is one of the first to provide food waste recycling and expand the service to commercial.

Councilmember Matarrese stated that complaints were received at the beginning; now ACI has the system down and citizens are used to the

system; other cities will be forced to recycle because recycling will be mandated due to landfill limitations; forward thinking was important in making a substantial portion of the fleet alternative fuel; inquired what other mandates might arise that would affect Contract renegotiations, such as electronic waste.

The Public Works Director responded batteries are now considered Universal Waste; stated a pilot program is being initiated which will allow residents to drop off Universal Waste items such as batteries, cell phones and florescent tubes; an educational program will be provided.

Councilmember Matarrese inquired whether a sorting facility might be necessary to ensure that florescent light bulbs do not end up in a landfill; stated cost considerations would need to be addressed at the next Contract negotiation, if a sorting facility is needed.

The Public Works Director responded the hope is to avoid the situation through education and resident cooperation.

Mayor Johnson inquired whether Alameda has a drop off location for computers and other electronic equipment.

The Public Works Director responded the City provided a drop off location last year; stated staff is looking into providing a drop off location twice a year.

Mr. Grzanka stated E-Waste is a drop off disposal facility for Alameda County.

Mayor Johnson stated information should be put on the City's website.

Councilmember Matarrese stated that nothing is free; the City needs to be forward thinking regarding mandates or new programs which would affect the Contract; cost evaluations would need to be made in addition to determining how to educate people.

Councilmember deHaan stated that not all residents are recycling to the highest level; an awareness program should be reinforced; ACI's operation is separated and thorough; ACI does a very good job.

Councilmember Matarrese moved adoption of the resolution.

Councilmember deHaan seconded the motion, which carried by unanimous voice vote - 5.

(07-268) Public Hearing to consider a Call for Review of the

Planning Board's action to adopt a Mitigated Negative Declaration for the Safeway Gas Station Project located at 2234 Otis Drive. [PDA05-001, DR05-0010, UP06-003, UP06-0010, UP06-0013].

The Planning Services Manager provided a brief presentation.

Mayor Johnson opened the public portion of the hearing.

Proponents (In favor of Call for Review): Eugenie Thomson, Alameda (provided handout); David Howard, Action Alameda; Dorothy Reid, Alameda; Len Grzanka, Alameda; Debra Banks, Alameda (provided handout).

Opponents (Not in favor of Call for Review): Debbie Kartiganer, Cassity, Shimko, Dawson & Kawakami; Chris Ferko, Safeway Consultant.

There being no further speakers, Mayor Johnson closed the public portion of the hearing.

Councilmember Gilmore stated that the project plans are different from the proposed plans; the largest change is the number of pumping stations; questioned whether tonight's discussion is premature because the Planning Board has not seen the site plans; stated staff has stated that Council's position on the environmental document tonight would not be linked to the Alameda Towne Centre environmental document; requested legal clarification before going forward; stated the matter should be adjourned to the correct order if tonight is not the right time and place.

The Planning Services Manager stated typically the Planning Board or Council addresses the adequacy of the environmental document and then makes a decision on the project the same evening; the California Environmental Quality Act (CEQA) requires that the decision needs to be made on the environmental document first; the Planning Board requested that the number of pumps be reduced from eighteen to twelve and that the project provides driveways and a raised sidewalk; the changes are very minor relative to the environmental affects.

The City Attorney stated an action on the mitigated negative declaration would not tie the legislative body's hands regarding a future action on an Environmental Impact Report (EIR) for the Alameda Towne Centre expansion project; the two projects are separate, on two separate parcels of land, and have two separate owners; each project has been analyzed in accordance with CEQA; CEQA requires that the mitigated negative declaration consider whether the environmental analysis is adequate for the project as

described and includes accumulative impacts for any future project; an action on the mitigated negative declaration does not pre-suppose a same or different action on the EIR.

Councilmember deHaan stated that an additional work request was made in August for Target; the City oversees the contracts for the Target and Safeway gas station studies; Target was scheduled to come back to Council this month; inquired whether there has been a change.

The Planning Services Manager responded the administrative draft has not been received; stated a huge stack of comments were received regarding the EIR; staff does not expect to get the preliminary draft responses back for two or three weeks; plans are to go to the Planning Board in July or early August; queuing was a concern; stated fewer trips would be generated by reducing the number of pumps from eighteen to twelve; staff anticipated that the community might want to downsize the number of pumps; an analysis was performed to see whether downsizing would result in longer lines; OmniMeans Traffic Engineers provided the research and field testing which determined that downsizing the project would not result in longer ques.

Councilmember deHaan stated the project is referred to as a discount refueling station; inquired whether there is a difference between refueling stations and gas stations.

Mr. Ferko responded the names change, but roughly the stations are the same.

Councilmember deHaan inquired whether the project would be considered a high volume, discount refueling station, to which Mr. Ferko responded in the negative.

Councilmember deHaan inquired what is the anticipated pumping volume.

Mr. Ferko responded that the fuel pump estimates is something that the client calculates based upon the market analysis.

Councilmember deHaan stated the previous gas station was a neighborhood gas station; cars were repaired at the station; fuel costs were not the cheapest in town; the station was full-service.

Mr. Ferko stated the proposed gas station would not offer full service; the station would offer some convenient goods for sale.

Councilmember deHaan inquired how the proposed gas station would



differ from Costco.

Mr. Ferko responded typically Costco sells gas at a cheaper rate than Safeway and drives a higher volume of cars; stated queuing is longer because of the higher volume.

Councilmember deHaan inquired what would be the queuing for the proposed station, to which Mr. Ferko responded there is enough que to accommodate two to three cars.

Councilmember deHaan inquired how much daily fuel would be purchased.

Todd Paradise, Safeway Real Estate Manager, Fuel Center Northern California Division, responded the design is set up to carry the volume that Safeway anticipates would be needed.

Councilmember deHaan inquired how many tanker trucks there would be per day, to which Mr. Paradise responded one per day.

Councilmember deHaan inquired whether the volume would be approximately 88,000 gallons.

Mr. Paradise responded volume would be between 88,000 to 90,000 gallons on a weekly basis.

Councilmember deHaan inquired how many gallons Costco receives per day.

Mr. Paradise responded he would guess a couple of trucks per day.

Councilmember deHaan stated that Costco receives 90,000 gallons per day and a minimum of four trucks.

Councilmember deHaan inquired how long Safeway has been in the gas business, to which the Safeway representative responded seven years.

Councilmember deHaan stated that gas stations have been a major sales leakage for the City; questioned why the gas station and Alameda Towne Centre EIR would not be reviewed at the same time; stated the Transportation Commission was not requested to review the matter; input was requested from the Transportation Commission Chair and was peculiar at best; there is an overlapping impact; the Alameda Towne Centre has been an extremely good project; the last portion has some concerning factors; intersections, transportation corridors, and traffic generated are concerns; he will yield to legal counsel to verify that the two contracts are not connected;

other legal counsels advise that the situation could be concerning at a later point; the proposed station is nowhere near what a Costco would be; queuing has been requested for three cars; Costco has queuing for four cars; inquired whether the Planning Board had additional design requirements.

The Planning Services Manager responded the Planning Board wanted to limit truck delivery hours to early morning; stated no other design aspects were requested.

Mayor Johnson clarified that other design changes were not made.

Councilmember Gilmore inquired whether the entire issue goes back to the Planning Board regardless of what action is taken tonight because the Planning Board still needs to approve the site plan; further inquired whether tonight's CEQA decision is binding.

The City Attorney responded the CEQA document is final if Council upholds the Planning Board's decision; stated any member of the public can appeal if Council remands the document to the Planning Board with specific direction and the Planning Board follows the direction and takes action on both the CEQA document and the project; the CEQA document can be appealed as well as any action taken on the project.

Mayor Johnson stated that Council is addressing the mitigated negative declaration, which has nothing to do with the approval of the project; the project can still be denied; the project is still an independent issue.

Councilmember Matarrese inquired whether Council would be upholding or denying the Planning Board's approval of the mitigated negative declaration rather than approving the mitigated negative declaration.

The City Attorney responded the options are to either uphold the Planning Board's approval or remand the document back to the Planning Board for further review with specific direction as to what Council wants the Planning Board to review.

Councilmember Matarrese inquired whether the project would be measured against the document whether the document goes back to the Planning Board or not, to which the City Attorney responded in the affirmative.

Vice Mayor Tam stated that she agrees with Councilmember deHaan and many of the speakers regarding having a mitigated negative declaration that looks at the project as a whole, including the

interactions between the contemplated expansion, including Target at the Alameda Towne Center, and the proposed fueling station; the mitigated negative declaration does just that [looks at project as a whole]; the impacts of six different intersections are fully disclosed in the mitigated negative declaration; there will be opportunities to have a full discussion regarding the impacts of the proposed fueling station, Target or other expansion projects at Alameda Towne Center if the matter comes to Council or the Planning Board; Council is being requested to review the adequacy of the mitigated negative declaration; she concurs with the Planning Board's findings that the mitigated negative declaration is adequate because she does not see anything that would need an additional analysis; the Planning Board considered the most conservative assumption for the Alameda Towne Center expansion and larger fueling station.

Councilmember Matarrese concurred with Vice Mayor Tam; stated that he appreciates the detail that the Planning Services Manager outlined regarding the differences between the 2003 and 2006 numbers; it is important to review the potential of a worse case for impact of the entire project on the adjacent parcel.

Councilmember Matarrese moved approval of upholding the Planning Board's decision to adopt the Initial Study and Negative Declaration for the Safeway gas station project.

Vice Mayor Tam seconded the motion, which carried by the following voice vote: Ayes: Councilmembers Gilmore, Matarrese, Tam, and Mayor Johnson - 4. Noes: Councilmember deHaan - 1.

#### ORAL COMMUNICATIONS, NON-AGENDA

(07-269) Michael John Torrey, Alameda, wished everyone a Happy Father's Day.

(07-270) Former Councilmember Barbara Thomas, stated Councilmembers work a great number of hours; suggested that Councilmembers give themselves a raise or consider hiring a staff person; stated the City deserves to have officials who are able to concentrate and are well advised.

(07-271) Bill Smith, Alameda, discussed waste and transit systems.

#### COUNCIL COMMUNICATIONS

(07-272) Consideration of Mayor's nomination for appointment to the Recreation and Park Commission.

Mayor Johnson nominated Bill Sonneman.

(07-273) Councilmember Matarrese stated that the AC Transit Liaison Committee met on May 31; staff will provide an update on the High Street Bridge issue; AC Transit has been cooperative; Line 51 and Line 63 bus bunching and frequency were reviewed; data is being gathered on the affects of moving Line 63 to Shoreline Drive off of Otis Drive; AC Transit provided an update on the potential of EcoPasses as a pilot program for City employees.

(07-274) Councilmember Matarrese stated that he hopes to receive some recommendations from the Climate Protection Task Force Committee on environmental steps that can be taken; he would like the Committee and City to consider a City car share program for employees; provided information to the City Manager; stated the City of Oakland and City of Berkeley are participating in a car share program.

(07-275) Vice Mayor Tam stated on June 2 she attended a session in San Francisco to meet with Admiral Mike Mullen, US Navy Chief of Naval Operations; there were discussions on whether Alameda would be willing to endorse having the battleship USS Iowa move from Suisun to Mare Island; the plans are to turn the USS Iowa into a naval museum similar to the USS Hornet.

Mayor Johnson stated the matter could be reviewed; other ideas are being discussed for the USS Iowa.

(07-276) Councilmember Matarrese stated that he heard rumors that the Food and Drug Administration (FDA) is considering moving its District office from Harbor Bay Business Park; requested an update; suggested that Council consider sending a request to maintain the District office and associated laboratories at Harbor Bay Business Park, if the rumor is true.

Mayor Johnson inquired whether a letter has already been sent.

The City Manager responded she would look into the matter.

Councilmember deHaan stated that he thought a portion of the operation was next to Foster Freeze.

Councilmember Matarrese stated the USFDA sampling lab and District Director office are at Harbor Bay Business Park.

Mayor Johnson stated a letter should be sent right away; a resolution should be brought back to Council.

ADJOURNMENT

There being no further business, Mayor Johnson adjourned the Regular Meeting at 10:48 p.m.

Respectfully submitted,

Lara Weisiger  
City Clerk

The agenda for this meeting was posted in accordance with the Brown Act.

MINUTES OF THE SPECIAL CITY COUNCIL MEETING  
TUESDAY- -JUNE 5, 2007- -6:40 p.m.

Mayor Johnson convened the Special Meeting at 6:55 p.m.

ROLL CALL - Present: Councilmembers deHaan, Gilmore,  
Matarrese, Tam, and Mayor Johnson - 5.

Absent: None.

The Special Meeting was adjourned to Closed Session to consider:

(07-246) Conference with Labor Negotiators: Agency Negotiators:  
Craig Jory and Human Resources Director; Employee Organizations:  
All City Bargaining Units.

Following the Closed Session, the Special Meeting was reconvened  
and Mayor Johnson announced that Council reached a tentative  
agreement with the Alameda Police Officers Association Non-Sworn  
bargaining unit; Council also received a briefing on Alameda Police  
Officers Association issues, and the Executive Management group.

Adjournment

There being no further business, Mayor Johnson adjourned the  
Special Meeting at 7:35 p.m.

Respectfully submitted,

Lara Weisiger  
City Clerk

The agenda for this meeting was posted in accordance with the Brown  
Act.